United States Attorney William W. Mercer District of Montana

FOR IMMEDIATE RELEASE WEDNESDAY, JUNE 7, 2006 WWW.USDOJ.GOV CONTACT: KURT ALME PHONE: (406) 247-4669 FAX: (406) 657-6055

MONTANA MAN SENTENCED FOR RECEIPT AND POSSESSION OF CHILD PORNOGRAPHY

BILLINGS – Daniel Gerard Lacey, a 31-year-old resident of Billings, was sentenced today to a term of 360 months in federal prison in connection with his guilty plea to two counts of sexual exploitation of children and possession of child pornography. Lacey was also ordered to pay a special assessment of \$300, restitution of \$421, forfeit his computer equipment, and will be under supervision for 10 years.

In an Offer of Proof filed by the United States, the government stated it would have proved at trial the following:

On March 14, 2005, an individual notified the Billings Police Department that earlier in the day the individual had observed child pornography, including photographs of the individual's sixyear old child, on LACEY'S computer. The computer was seized by law enforcement and subsequently forensically searched.

Found on the computer were numerous images of child pornography, including images of the individual's child that Lacey had taken. Lacey engaged the child in sexually explicit conduct and then took digital photographs of that activity. The photographs were taken by Lacey in Billings during 2004-2005.

The child was interviewed and disclosed that Lacey had shown the child sexually explicit pictures on the computer of children and adults.

Also found on the computer were numerous images of child pornography that Lacey had received via the Internet. Those images had been received from 2003 through March of 2005.

When questioned, Lacey admitted that he had sexually abused the child and photographed the activity of himself and the child. Lacey also admitted receiving and possessing child pornography via the Internet. Lacey claimed that this was the only child he had ever victimized.

Lacey's residence was also searched. Found in the garage was a videotape that Lacey had made. The tape shows Lacey sexually abusing a toddler girl. Further investigation by law enforcement revealed that the tape was made in Billings in 1999 and that it involved a child that Lacey was babysitting. The tape depicts Lacey and the child engaged in sexually explicit conduct and activity.

The computer contained 217 movies of child pornography and over 3,000 images of child pornography. The images included children clearly under the age of twelve or prepubescent children and children engaged in sadistic or masochistic abuse or other depictions of violence.

Because there is no parole in the federal system, the "truth in sentencing" guidelines mandate that Lacey will likely serve **all** of the time imposed by the court. In the federal system, Lacey does have the opportunity to earn a sentence reduction for "good behavior." However, this reduction will not exceed 15% of the overall sentence.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Billings Police Department. Assistant United States Attorney Marcia K. Hurd prosecuted the case.

"This case is being brought as part of Project Safe Childhood. In February 2006, Attorney General Alberto R. Gonzales created Project Safe Childhood, a nationwide initiative designed to protect children from online exploitation and abuse. Led by the United States Attorneys' Offices, Project Safe Childhood marshals federal, state and local resources to better locate, apprehend, and prosecute individuals who exploit children via the Internet, as well as identify and rescue victims. For more information about Project Safe Childhood, please visit www.projectsafechildhood.gov/."

###